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# SOLDIERS TO BUILD CANADIAN RAILWAYS

Preference To Be Given to Men Returning From the Front.

**Special Despatch to The Sun.**  
OTTAWA, Feb. 17.—Delegates from the Interprovincial Conference of Mayors of Alberta and Saskatchewan have obtained, it was learned to-day, assurance that the Canadian Government purposes to pursue a vigorous policy of railway construction in the Prairie Provinces, with the double object of benefiting sections of the country which lack transportation facilities and of giving employment to returned soldiers.

W. D. L. Hardie, Mayor of Lethbridge, Alberta, and W. V. A. the two delegates, after an interview with Sir Thomas White, acting Premier, and Hon. J. D. Reid, Minister of Railways and Canals, expressed themselves as satisfied with the programme laid before them by the two members of the Government.

The Minister of Railways said the delegates had stated that work on more than 800 miles of railroad in Alberta and Saskatchewan had been authorized in connection with the Government railway system. This work was all on lines partly graded and under construction. The question of further extension on the Canadian Pacific Railway was now being discussed with heads of that road and plans were being laid down for as much work of this kind in Alberta and Saskatchewan as possible.

Mr. McKenna said that the Minister of Railways and Canals expressed his belief that the work to be undertaken would furnish employment for a large number of returned men and would solve to a great extent the unemployment problem in Alberta and Saskatchewan.

# EXPORTS TO U. S. GROW

Canada Sent Goods and Crops Worth \$420,565,828 in 1918.

Total Canadian exports of merchandise for the year ended September 30, 1918, amounted to \$1,363,749,580, as against \$1,387,517,974 for the preceding twelve months and \$1,011,940,064 for the year ended September 30, 1916. Imports entered for consumption for the 1918 period were placed at \$918,123,499, compared with \$1,004,292,884 for 1917 and \$695,248,705 for 1916.

Imports from the United States for the year ended September 30, 1918, were valued at \$216,270,484, while the 1917 and 1916 totals were \$270,660,901 and \$292,988,670, respectively. Imports from the United Kingdom showed a decrease from \$27,500,236 in 1917 to \$25,988,856 in 1918.

While the utilization of British shipping for the transport of troops reacted unfavorably on Canada's exports to Europe during the first six months of the year, a marked increase was indicated by the September figures due to a large extent to the great exports to the United States.

# CANADA GUARD BOND PURCHASERS TO KEEP WAR TRADE

Dealers Association Plans Legislation to Thwart Security Frauds.

**FLOTATION ORGY NEAR**  
Provinces Uneasy Over Question of Protection for Investors.

The committee appointed by the Bond Dealers Association of Canada, which corresponds roughly to the Investment Bankers Association of America, in its investigation of ways and means to promote legislation for the protection of investors has completed, it was learned yesterday, a tentative survey of the existing legislative demands for further protection in various Canadian provinces. From this survey and from the special financial circumstances which exist at present the following conclusions are drawn:

"Owing to the introduction to security buying of hundreds of thousands of Canadians through Victory Loan investments the way is opened for many new ventures with strange securities.

"An orgy is probable, with many offerings of a dangerous or highly speculative nature.

"Vendors of dangerous or worthless securities will be induced to use the security of the Government as a shield, and to form a part with Victory Bonds bearing a relatively low interest in return for shares which are promised to yield a much higher rate.

"The money of all classes should be conserved for essential purposes, as the next few years will be a serious testing time for Canadian finance.

**Supervision Is Necessary.**  
"Supervision of new issues will be necessary in some form, an elementary principle being the sound registration of vendors of securities.

"Full provision should be made for publicity and oversight of promises made by vendors, so that securities are not offered as carrying the stamp of Government approval, which, of course, cannot be a protection against mismanagement.

"Existing precautionary laws should be enforced and companies operating from outside Canada should be made subject to laws against fraud and fraudulent promotion.

"Canadian authorities agree the state of the public mind is uneasy on the important question of protecting the investor. Manitoba, Saskatchewan and Alberta have laws in operation for this purpose, the main principle of which is the licensing of vendors of securities and the supervision of their conduct themselves. It is understood that the government of Ontario is now engaged in the preparation of legislation on the subject.

While the bond dealers' committee has adopted nothing in detail regarding needed legislation, C. H. Burgess, chairman of the committee, has brought up for consideration the requirement that the Dominion Government should appoint a commission to examine all projects before the sale of securities is permitted. The commission would have a branch in each of the provinces.

Under this proposal every dealer would be required to register with the commission and every company issuing stock or securities for public sale should furnish full particulars and all information desired by the commission. The commission would have authority to reject an application. No offering by advertising, circular or letter from other countries would be allowed without securing license permission. The commission would have power to make a personal investigation at the company's expense and to publish the results and to publish statements in their own name and with comment. Speculative securities would be so marked on all literature. This would mean that any yield or promise to yield, say, more than 7 per cent, would be marked as such and would be twice their value within two years. Provisions would be made for fine and imprisonment for infringement of the regulations.

**Blue Sky Law Inquiry.**  
The bond dealers' committee is investigating also the terms and operation of the blue sky law of the State of Minnesota. This law provides in part that no investment company or dealer shall sell any securities to the public unless the act until he or it is registered with the Securities Commission and has furnished such Securities Commission with the full information required by it. Provision is made for the authorization of agents, who must be registered with the commission. Copies of all prospectuses, circulars and advertisements used in any sale or promotion of securities covered by the act must be received by the Securities Commission at the time of the sale. The commission is completely satisfied by the companies' compliance with the act, and is now disturbed by the anxiety which exists there on the subject of protecting the investor, according to Canadian authorities, who cite a portion of the report of the British Trade Commission to the Government. "In order to check any outburst of speculation," this report said, "and to prevent the sale of securities of an unessential character it will also be necessary to exercise some discretion as to the purpose for which the money is raised."

On the other hand, the British and Canadian authorities hold that the companies' compliance with the act is all that is required. "The purpose is not to regulate or supervise the actions of directors of companies, but to afford the investing public the benefit of ascertaining the true nature of the securities, and by means of annual statements and reports of the directors and auditors to disclose to the shareholders from time to time the methods by which the affairs of the company are conducted. This legislation has been adopted in the provinces of Ontario, British Columbia, Saskatchewan and Alberta.

"Company law is complicated and technical. Each additional piece of legislation adds to the complications and technicalities, and the result is that the control of a company in the hands of its shareholders, the persons vitally interested in its success, and calls upon them to exercise a knowledge of accounting and legal matters more likely to protect the general public than restrictions and penalties, which add technicalities easily evaded by corporation lawyers."

# TO GET SOLDIERS' EFFECTS.

Relatives May Claim Property of Dead at Hoboken.

**Special Despatch to The Sun.**  
NEW YORK, Feb. 17.—The War Department announced to-day that an effects bureau had been established at Hoboken, where personal effects of deceased soldiers and enlisted men will be shipped from abroad.

Relative desiring information concerning effects are asked to communicate with the Effects Bureau, Port of Embarcation, Hoboken, N. J.

# TO KEEP WAR TRADE

Canada's January Imports, Exports and Foreign Balance Eclipse Records.

**NEWSPRINT BIG FACTOR**  
Opposition in Quebec, Last Wet Province, to Going Bone Dry May 1.

**Special Despatch to The Sun.**  
MONTREAL, Feb. 17.—Bankers who realize the importance of retaining part of Canada's large gain in foreign trade during the war years would like to see an early settlement of the long standing controversy between the newspaper manufacturers and the publishers.

The pulp and paper industry stands out as one that has already become a big factor in the country's exports, and may offer the same opportunities for expansion.

But capital will not turn freely to new enterprises in this direction until free market conditions in newspaper are restored, or until there is some definite indication that the industry will be subjected to political pressure.

It is a significant fact that one of the most prominent authorities in the trade estimates that the new capacity to be added to Canada's newspaper output this year will be but one fifty-ton a day machine.

For the established companies the slight increase in production during the war years has been a real advantage rather than a disadvantage, the possibility of the overproduction that every industry dreads virtually being an expanding demand from your country for newspaper, but now that shipping is more easily obtainable, the large export trade that Canada has in the newspaper business with South America, where the chief selling agency is the largest, is being enlarged by the present enlarging its connections.

**New Promotions Delayed.**  
The advantage of the established companies, however, operates as a disadvantage for the country's trade as a whole. The possibilities of present expansion are limited to a very small extent, even if new promotions, would be limited for a couple of years to come.

There are those, however, who believe that the publishers are not nor will the publishers in their dispute, believe that the interests of the latter would have been better served in the long run by the lessening of newspaper output, and the play of the law of supply and demand when the situation became acute in the autumn of 1918.

In the autumn of 1918, the newspaper market was a very tight one. The number of papers would have been followed by new promotions on a large scale, and if the publishers paid heavily for more, it would have been a sharp drop in the price of a paper of ten to twelve years.

Higher prices are a large factor in the large growth of Canada's exports of both paper and pulp in the last few years. In the fiscal year ending March 31, 1919, total exports of paper and pulp were valued at \$11,834,854.

Exports of paper and pulp for the year ended September 30, 1918, were valued at \$12,427,092 and in 1917 \$13,443,238. Close to 6 per cent of the country's total exports in 1918, as against 5 per cent in 1917, and other use to yield, say, more than 7 per cent, would be marked as such and would be twice their value within two years.

Provisions would be made for fine and imprisonment for infringement of the regulations.

**American Capital Expected.**  
Cheap wood and cheap power are, of course, the outstanding advantages in the blue sky law of the State of Minnesota. This law provides in part that no investment company or dealer shall sell any securities to the public unless the act until he or it is registered with the Securities Commission and has furnished such Securities Commission with the full information required by it. Provision is made for the authorization of agents, who must be registered with the commission. Copies of all prospectuses, circulars and advertisements used in any sale or promotion of securities covered by the act must be received by the Securities Commission at the time of the sale. The commission is completely satisfied by the companies' compliance with the act, and is now disturbed by the anxiety which exists there on the subject of protecting the investor, according to Canadian authorities, who cite a portion of the report of the British Trade Commission to the Government. "In order to check any outburst of speculation," this report said, "and to prevent the sale of securities of an unessential character it will also be necessary to exercise some discretion as to the purpose for which the money is raised."

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# PAPER STOCKS HAVE BOOM.

Laurentide Sets New Record, Hitting 202.35 in Montreal.

**Special Despatch to The Sun.**  
MONTREAL, Feb. 17.—Paper stocks have come to a new high in Canada. The new move was marked by Laurentide passing 200 for the second time and making, at 202.35, a new record since 1916. The stock had been at 198.75 on Jan. 15, and the closing day of the year.

Spanish preferred, on which there are 32 per cent bond dividends due and which has been carrying a dividend of 10 per cent, was at 107. This was twice equalled this month, and was passed by 5 points to-day, the stock at one time in the afternoon making a clear gain of 2 1/2 points to 112 1/2.

Spanish common rose 1 1/2 to 151 1/2, the highest for some months, and Rio and left its minimum and advanced 10 points to 115. The stock had been at 105. The action is considered indicative of the proximity of a new move. Brompton, another paper stock, which had been easy lately, rallied to 68.

# MADE WIFE HIS TARGET.

Man Who Threw Coffee Pot Must Serve Thirty Days.

Magistrate Koenig in the West Side court yesterday listened attentively to Mrs. Joseph O'Brien of 109 West Third Street, who said that she had been injured by a coffee pot thrown at her by her husband.

"Yes, but how is that going to make me happy?" asked O'Brien.

"You get to jail for going to make me happy?" asked O'Brien.

"You get to jail for going to make me happy?" asked O'Brien.

# BOOM IN MAPLE LEAF RUBBER TRADE NEAR

Export Fields Entered During War Promise Big Expansion Soon.

**TARIFF IS A PROBLEM**  
Business Increasing With Australia, South Africa and South America.

Canadian manufacturers point to the success of the rubber industry there in expansion to a high water mark despite the adverse condition during four years of war and assert that future growth will be attended with lesser obstacles, the development being commensurate at least with the growth of the automobile industry, according to despatches received yesterday from Toronto.

Several export fields have been entered that give promise of expansion, but further development is declared to be a question that will be affected by tariff and embargo questions. Domestic products in Canada, however, are expected to supply an increasing percentage of the requirements of the Dominion.

Canada's export trade in rubber products has increased to a noteworthy extent during the last twelve months, particularly in the months immediately prior to the armistice. Business with foreign countries in the rubber trade prior to 1918 was relatively light, but the increasing trade with New Zealand, Australia, South Africa and the South American Republics, more than made up the falling off in business with the United Kingdom and the United States.

**Conditions For Trade.**  
Discussing the conditions which made it possible for Canada to engage in export business in the new markets, C. H. Burgess, chairman of the committee, said that the conditions were favorable for the Goodyear Tire and Rubber Company of Canada, was quoted in Toronto as saying: "The principal reason that export trade is available at this time is the shortage of goods. Canada has maintained its domestic lines of manufacturing perhaps to a higher extent than any of the other countries, and there was in a position to avail herself of the opportunities in foreign fields. The permanency of the export business will be determined largely by the treatment of the tariff and the embargoes put into force. I would take it that a number of countries, including England, Australia, New Zealand, South Africa and the South American Republics, will make an effort to embargoes that will handicap greatly exports from Canada."

Trade figures for September, 1918, showed that the value of rubber exports was \$101,029 for September, 1917. For October the figures were \$178,254, against \$109,299 for September, 1917. For the year ended September 30, 1918, the value of rubber exports was \$1,835,315, against \$1,407,000 for the year ended September 30, 1917. For the year ended September 30, 1918, the value of rubber exports was \$1,835,315, against \$1,407,000 for the year ended September 30, 1917.

The trend of the export movement for rubber has been steadily upward since 1918 as compared with the same months of the year before may be shown by the following tabulation:

September—1918, 1917, 1916, 1915, 1914, 1913, 1912, 1911, 1910, 1909, 1908, 1907, 1906, 1905, 1904, 1903, 1902, 1901, 1900, 1899, 1898, 1897, 1896, 1895, 1894, 1893, 1892, 1891, 1890, 1889, 1888, 1887, 1886, 1885, 1884, 1883, 1882, 1881, 1880, 1879, 1878, 1877, 1876, 1875, 1874, 1873, 1872, 1871, 1870, 1869, 1868, 1867, 1866, 1865, 1864, 1863, 1862, 1861, 1860, 1859, 1858, 1857, 1856, 1855, 1854, 1853, 1852, 1851, 1850, 1849, 1848, 1847, 1846, 1845, 1844, 1843, 1842, 1841, 1840, 1839, 1838, 1837, 1836, 1835, 1834, 1833, 1832, 1831, 1830, 1829, 1828, 1827, 1826, 1825, 1824, 1823, 1822, 1821, 1820, 1819, 1818, 1817, 1816, 1815, 1814, 1813, 1812, 1811, 1810, 1809, 1808, 1807, 1806, 1805, 1804, 1803, 1802, 1801, 1800, 1799, 1798, 1797, 1796, 1795, 1794, 1793, 1792, 1791, 1790, 1789, 1788, 1787, 1786, 1785, 1784, 1783, 1782, 1781, 1780, 1779, 1778, 1777, 1776, 1775, 1774, 1773, 1772, 1771, 1770, 1769, 1768, 1767, 1766, 1765, 1764, 1763, 1762, 1761, 1760, 1759, 1758, 1757, 1756, 1755, 1754, 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